

D.K.M. COLLEGE FOR WOMEN (AUTONOMOUS),
SEMESTER EXAMINATIONS
APRIL – 2019
ALLIED : FINANCIAL ACCOUNTING – I

Time: 3 Hrs

SECTION – A (10 X 2 =20)

Answer ALL the questions.

1. What do you understand the term dependent branches?
2. What is branch accounting?
3. What is departmental accounting?
4. What is the basis of apportionment for selling expenses and Rent and F
5. What is down payment?
6. What is Repossession?
7. What do you meant by Fixed Capital method?
8. What is Gaining Ratio?
9. What is Insolvency of a partner?
10. Mention the situation for dissolution of a firm by court?

SECTION – B (5 X 5 =25)

Answer any FIVE of the following questions.

11. A head office at Bhopal invoices goods to its branch at Indoor at cost, a not only for cash but on credit also. The expenses of the branch are paid following particulars relating to the branch opened 1 – 1 – 1996, prepared under stock and debtors system in the head office books.

	Rs.	
Goods sent to branch at cost	5,000	Credit sales
Goods returned by the branch at cost	300	Discount allowed to
Expenses paid by the head office	1,000	Cash sales
Remittance from branch	4,200	Branch stock (31-12)

13. Distinguish between Hire purchase system and Installment purchase system.
14. X and Y are partners sharing profits in the ratio of 3:2. They admit z as a partner for a share of 1/5 of the future profit. Calculate New Ratio.
15. Explain “Garner Vs Murray” rule for Insolvency of a partner.
16. AK Company opened a branch at Chennai on 1.1.2018. From the following particulars, prepare Chennai Branch Account for the year 2018.

Particulars	Rs.
Goods sent to Chennai Branch	15,000
Cash sent to Branch for	
Rent	1,800
Salaries	3,000
Other expenses	1,200
Cash received from the branch	24,000
Stock on 31 st December	2,300
Petty cash in hand on 31 st December	40

17. Distinguish between Branch accounts and Departmental account.
18. KNR Transport Ltd. purchased from Delhi Motors 3 trucks costing Rs. 3,00,000 on hire purchase system. Payment was to be made Rs.30,000 down and the remaining Rs. 2,70,000 in 3 equal installments together with interest at 9%. Calculate interest for each year.

SECTION – C (3 X 10 =30)

Answer ALL the questions.

19. (a) Goods are invoiced by head office to its branch at Jaipur at cost plus 10%. All expenses of the branch are paid by head office. Branch keeps only debtors ledger and

Goods received from head office
Debtors on 31.12.2015
Goods in transit from head office on 31.12.2015

(Or)

(b) Trading and Profit and Loss Account of Janu Radio and Gramophone shop for the first 3 months ended 31.03.1995 is presented to you in the following form:

Particulars	Rs.	Particulars
To Purchases		By Sales:
Radios (A)	1,40,700	Radios (A)
Gramophones (B)	90,600	Gramophones (B)
Spare Parts (C)	64,400	Spare Parts (C)
To Salaries & Wages	48,000	By Stock on 31.03.1995
To Rent	10,800	Radios (A)
To Sundry Expenses	11,000	Gramophones (B)
To Profit	34,500	Spare Parts (C)
Total	4,00,000	Total

Prepare Departmental accounts for each of the three departments A, B and C, taking into account the following:

- i. Radio and Gramophones are sold at the show room and spare parts at the workshop.
- ii. Salaries and Wages comprise as follow: Show room 3/4 and workshop 1/4. Allocate the show room salaries and wages in the ratio of 1:2 between departments A and B.
- iii. The workshop rent is Rs.500 per month. The rent of show room is Rs.1000 per month. Allocate the rent between the departments A and B.
- iv. Sundry expenses are to be allocated on the basis of the turnover of each department.

b) Sunil, Devan and Ravi are equal partners in a firm and their Balance Sheet is as follows:

Liabilities	Rs.	Assets
Capital :		Machinery
Sunil	15,000	Furniture
Devan	12,000	Debtors
Ravi	18,000	Stock
Reserve	4,500	
Creditors	40,500	
	90,000	

Ravi retired on 31.12. 90 and assets were revalued as under:

Machinery Rs.51,000. Furniture Rs.1,200, Debtors Rs.28,500, Sundry Assets Rs.9,000. The firm is valued at Rs.9,000 and Ravi's share of Goodwill is to be added to the capital accounts.

Prepare necessary ledger accounts and new balance sheet.

21. (a) P, Q and R share profits in proportion of $\frac{1}{2}$, $\frac{1}{4}$ and $\frac{1}{4}$. On the date of dissolution the Balance Sheet was as follows:

Liabilities	Rs.	Assets
Creditors	14,000	Sundry Assets
P's Capital	10,000	
Q's Capital	10,000	
R's Capital	6,000	
Total	40,000	Total

The assets realised Rs.35,500. Creditors were paid in full. Realisation expenses Rs.1,500. Close the books of the firm.

(Or)

(b) Form the Balance Sheet of A, B and C who share the profits and losses in the ratio of 2:1:1 and the statement distribution of cash.

Liabilities	Rs.	Assets
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